

## Message Text

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ACTION EB-07

INFO OCT-01 AF-10 EUR-12 EA-07 ISO-00 AID-05 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00

XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01

L-03 /076 W

-----080638Z 109837 /17

R 080600Z JUN 77

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC 3995

INFO AMEMBASSY LONDON

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY TOKYO

LIMITED OFFICIAL USE KINSHASA 5379

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: IMPLEMENTATION OF THE LONDON AGREEMENT

REF: (A) KINSHASA 4351, (B) STATE 129171

1. CHARGE CALLED ON CENTRAL BANK GOVERNOR SAMBWA JUNE 6 JUST BEFORE LATTER'S DEPARTURE FOR BRUSSELS WHERE HE WILL MEET CITIBANK VICE PRESIDENT FRIEDMAN.

2. IN THE COURSE OF CONVERSATION, CHARGE HAD OCCASION TO RAISE AGAIN "RUMOR" (SEE REFTEL A) THAT CONSIDERATION WAS BEING GIVEN TO USING 180-DAY REVOLVING LETTERS OF CREDIT TO PROVIDE THE \$250 MILLION ENVISIONED UNDER THE LONDON AGREEMENT. AS BEFORE, SAMBWA WAS EMPHATIC AND CATEGORICAL IN SAYING THAT HE COULD NOT CONSIDER SUCH AN ARRANGEMENT. HE NOTED THAT SUCH AN IDEA HAD BEEN RAISED BY CITIBANK BEFORE THE NOVEMBER 1976 SIGNING OF THE LONDON AGREEMENT AND THAT HE HAD SPECIFICALLY NEGOTIATED INTO THE LIMITED OFFICIAL USE

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LONDON AGREEMENT A CLAUSE SPECIFYING THAT THE 250 MILLION WOULD BE IN THE FORM OF A MEDIUM-TERM LOAN.

3. SAMBWA SAID THAT HE NOW HAD ROUGHLY \$60 MILLION DEPOSITED IN HIS BLOCKED ACCOUNT FOR PRINCIPAL DUE TO THE PRIVATE SYNDICATED BANKERS. HE SAID THAT ANOTHER \$25 MILLION WOULD BE DEPOSITED JUNE 8 BRINGING THE TOTAL TO \$85 MILLION. WHEN THE CHARGE NOTED

THAT THE TOTAL AMOUNT DUE BEFORE JUNE 30 WAS \$99 MILLION, SAMBWA SAID THAT HE DID NOT THINK FRIEDMAN WOULD QUIBBLE OVER THIS SINCE ZAIRE WOULD BE IN SUBSTANTIAL COMPLIANCE WITH THE LONDON AGREEMENT.

4. SAMBWA SAID THAT IF CITIBANK INSISTED ON THE CONCEPT OF 180-DAY LETTERS OF CREDIT INSTEAD OF A MEDIUM-TERM LOAN, HE WOULD WITHDRAW THE \$85 MILLION FROM THE BLOCKED ACCOUNT AND OFFER THE BANKERS THE SAME TERMS NEGOTIATED WITH OFFICIAL CREDITORS UNDER THE AUSPICES OF THE PARIS CLUB.

5. PARENTHETICALLY, SAMBWA NOTED THAT BECAUSE OF ILLNESS, FRIEDMAN HAD ASKED FOR A POSTPONEMENT OF THE MEETING. SAMBWA, HOWEVER, HAD PREVAILED UPON HIM TO MEET AS PLANNED, POINTING OUT THAT PRESIDENT MOBUTU WOULD VERY POSSIBLE SUSPECT A "DIPLOMATIC ILLNESS" AND INTERPRET THE POSTPONEMENT AS A SIGN OF RETICENCE ON THE PART OF CITIBANK.

WALKER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LOAN AGREEMENTS, DEBT REPAYMENTS, LETTERS OF CREDIT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 08-Jun-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977KINSHA05379  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770203-0941  
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**Handling Restrictions:** n/a  
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**Line Count:** 79  
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**Litigation History:**  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 77 KINSHASA 4351, 77 STATE 129171  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 10-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2232667  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IMPLEMENTATION OF THE LONDON AGREEMENT  
**TAGS:** EFIN, CG, CITIBANK, (SAMBWA)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/a590a182-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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